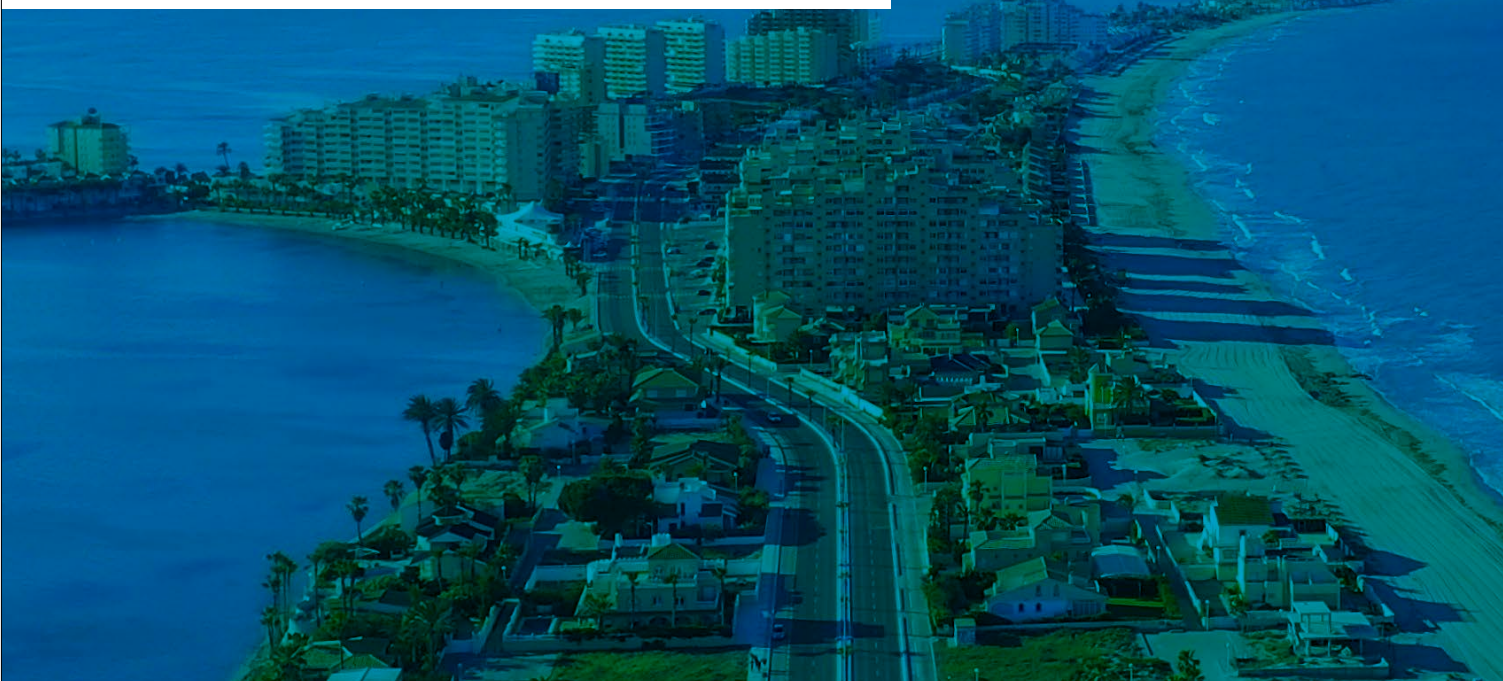




Autonomous Community Outlook

Murcia Region



1,570,000
inhabitants
(2023)



€23,197
GDP per capita
(2022)



2.7%
of Spanish GDP
(2022)



1.8%
anticipated growth
in GDP (2024)



Regional economic structure and position

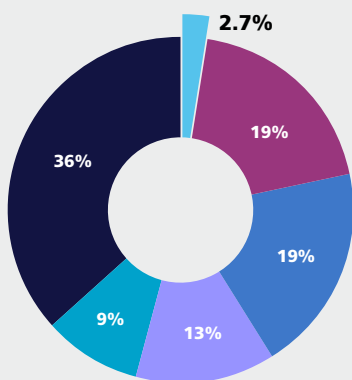
- With almost **1.6 million inhabitants**, Murcia accounts for 3.2% of Spain's total population. It is the youngest region in the country, with only 16.6% of the population aged over 65 (national average of 20.4%).
- The region's GDP stands at 35.810 billion euros, equivalent to **2.7% of Spanish GDP**.
- **GDP per capita** (23,197 euros) is the fifth-lowest in the country and 17.6% below the national average. Despite being one of the most dynamic regions in recent years, the difference between its GDP per capita and the national average has stabilised due to the region's strong population growth.
- In terms of **production sectors**, it is notable for its greater specialisation in the manufacturing industry (15.1% of GDP vs. 12.5% in Spain), the extractive industry (5.6% vs. 4.9%) and, in particular, the agricultural sector (4.6% vs. 2.6%), where it is the third-largest region in fruit and vegetable production. In contrast, industry-related services make up a far smaller percentage (21.8% vs. 28.5%).
- **Goods exports represent 40.2% of regional GDP**, 11.3 points above the Spanish average and the fourth-highest percentage in the country. In 2023, the region exported goods worth 14.020 billion euros, 3.7% of Spanish exports. Almost half of exported goods come from the agri-food industry, especially fruit, pulses and vegetables, ahead of fuel (23.7%) –thanks to the refinery in Escombreras– and chemical products (10%). Murcia accounts for 17% of all Spanish exports of fruit and pulses.

Table of structural indicators

		1992	2002	2012	2022
GDP per capita	Euros	8,545	15,223	18,140	23,197
	100 = Spain	87.3	84.1	82.3	82.4
Population	Thousands of inhabitants	1,073	1,243	1,462	1,552
	Average annual growth over the decade (%)	0.9	1.5	1.6	0.6
	% of total in Spain	2.7	3.0	3.1	3.2
	% of population > 65 years old	12.3	14.1	14.5	16.3
Exports of goods as a proportion of GDP	%	...	20.6	33.8	40.2

GDP by Autonomous Community

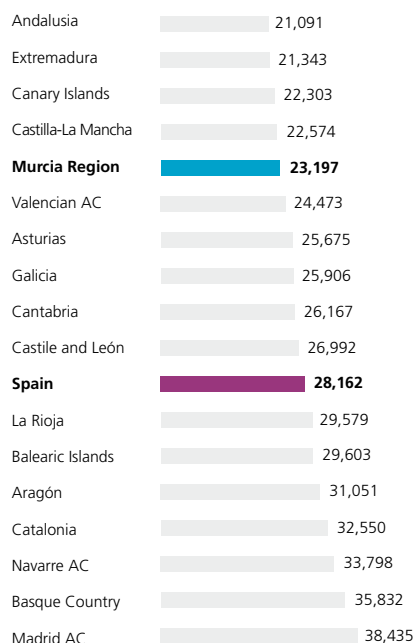
(% OF SPAIN AS A WHOLE)



- Murcia Region
- Madrid AC
- Catalonia
- Andalusia
- Valencian Community
- Others

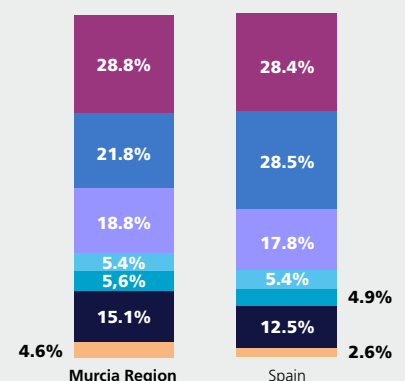
GDP per capita

(EUROS)



Productive sectors

(AS A % OF GVA)



- Trade, transportation, accommodation and leisure
- Industry-related services
- General government and defence
- Construction
- Extractive industry
- Manufacturing industry
- Agriculture

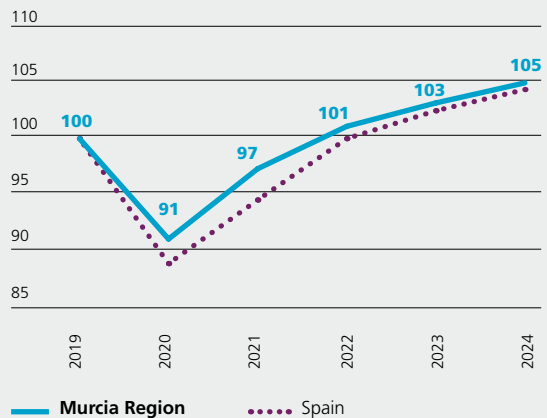
Source: CaixaBank Research, based on data from the National Statistics Institute (INE) and DataComex.

Macroeconomic situation

Murcia's economy is evolving positively. At CaixaBank Research we estimate that **Murcian GDP grew by 2.0% in 2023** (2.5% in Spain). The inflationary context and high interest rates curbed consumer spending, and rising costs and the drought negatively impacted the agricultural sector and the food industry, which are extremely important for the region. However, the strength of trade, tourism and public works stood out.

Our forecasts indicate that **Murcia's economy will slow down in 2024, with a GDP flash estimate of 1.8%** (1.9% on average across the country). The loss of momentum is mainly due to the weakening of construction and industry, still affected by rising costs, while services will mitigate their contribution to growth. On the positive side, we expect the pace of implementation of European funds to increase, which will help to boost activity.

GDP (INDEX 100 = 2019)



Source: CaixaBank Research.



Employment figures in Murcia have been positive. After growing by 1.9% on average in 2023 (2.7% in Spain), the **number of registered workers affiliated to Social Security** accelerated significantly at the start of this year and grew at a rate of 3.1% year-on-year in February (vs. 2.7%), far exceeding 2019 levels (12.3% vs. 9.6% on average): in the last year, there has been notable growth in employment in hotels and restaurants, education and healthcare. In turn, the unemployment rate (11.3% in Q4 2023) is lower, both than the Spanish average (11.8%) and, more importantly, than pre-pandemic levels (16.1% in Q4 2019).



Consumer spending is performing more modestly than the national average: after recording the biggest decline of all regions affected by inflationary pressures in 2022, **retail trade** sales (in volume) grew by just 0.5% in 2023 (2.9% in Spain) and 0.2% year-on-year in January of this year (vs. 1.4%), making it one of the regions furthest from 2019 levels (-5.9% vs. +1.2%).



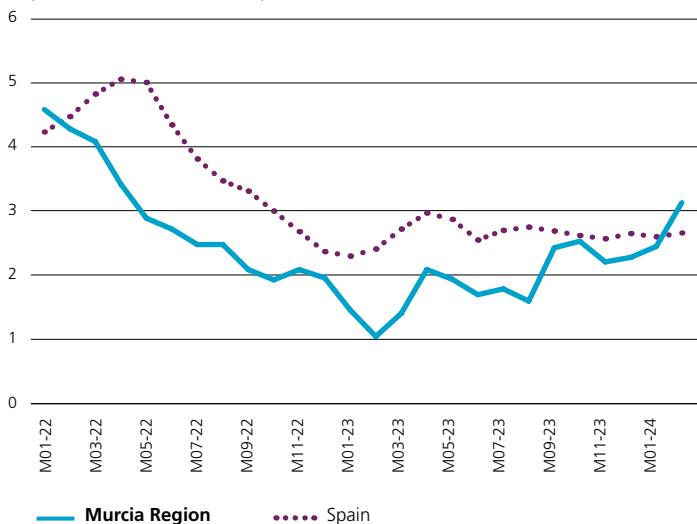
Murcia's **industrial activity** was hampered by the energy and agri-food sectors in 2023, so the IPI fell sharply, by 6.2% (vs. -1.4% for Spain overall). Despite the sharp rise recorded at the start of 2024 (+7.3% year-on-year in January vs. +3.6%), it remains far below 2019 levels (-4.3% vs. -2,4%).



Murcia's **exports** of goods in 2023 recorded a more notable decline than in the rest of the country (-2.7% vs. -1,4%): the excellent performance of sales of agri-food products, especially fruit, pulses and processed foods, was largely offset by the sharp decline in sales of energy products (oil products), hampered by the normalisation of their prices. As a result, they are 30.1% higher than in 2019 (vs. +31.9% in Spain).

Registered workers affiliated to Social Security

(% YEAR-ON-YEAR CHANGE)



Source: CaixaBank Research, based on data from the Ministry of Social Security and DataComex.

Exports of goods

(% YEAR-ON-YEAR CHANGE)

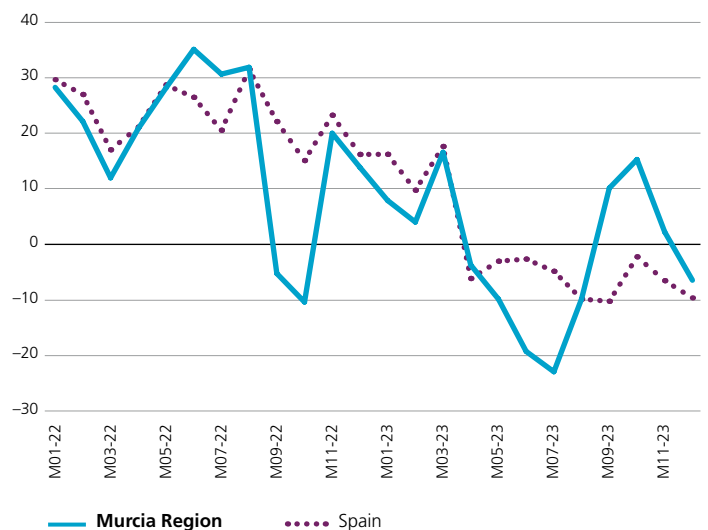







Table of indicators

Murcia Region
Average in Spain

		2008-2013 average	2014-2019 average	2020	2021	2022	2023	2024	Latest figure
 Activity and prices	Real GDP* (% year-on-year change)	-2.0 -1.8	3.2 2.8	-9.0 -11.2	6.9 6.4	4.0 5.8	2.0 2.5	— —	2023
	Retail trade (% cumulative annual change)	-6.4 -5.2	2.5 2.3	-6.6 -5.2	3.3 3.6	-2.3 0.8	0.5 2.9	0.2 1.4	January-24
	Industrial production index (% cumulative annual change)	-6.8 -5.3	3.8 1.8	-2.3 -9.2	2.4 7.1	2.4 2.5	-6.2 -1.4	7.3 3.6	January-24
	Service activity index (% cumulative annual change)	-3.9 -4.6	4.5 5.1	-2.4 -15.6	7.5 15.8	10.0 19.9	4.8 2.4	— —	December-23
	Consumer price index (% year-on-year change)	1.6 1.7	0.5 0.7	-0.3 -0.3	3.0 3.1	8.8 8.4	3.7 3.5	2.8 2.8	February-24
 Labour market	Registered workers affiliated to Social Security (% year-on-year change)	-3.7 -3.1	3.8 3.2	-0.1 -2.1	3.8 2.5	2.9 3.9	1.9 2.7	3.1 2.7	February-24
	Registered workers affiliated to Social Security not affected by furlough (ERTE in Spanish) (% year-on-year change)	-3.7 -3.1	3.8 3.2	-4.5 -9.2	7.2 7.3	4.7 7.3	2.4 3.4	3.8 3.1	February-24
	Unemployment rate (% working population)	22.9 20.2	20.1 18.8	16.2 15.5	14.3 14.8	13.3 12.9	12.6 12.1	— —	Q4 2023
	Unemployment rate for under 25s (% working population < 25)	41.1 42.5	43.6 42.5	37.4 38.3	31.1 44.7	28.9 23.9	28.7 27.2	— —	Q4 2023
 Public sector	Public deficit (% of GDP)	-4.1 -2.7	-2.0 -0.9	-1.0 -0.2	-1.5 0.0	-3.0 -1.1	-1.1 -0.1	— —	Q3 2023
	Autonomous Communities public debt (% of GDP)	9.6 12.3	27.2 24.1	34.2 27.2	33.6 25.6	31.7 23.6	30.0 22.3	— —	Q3 2023
 Real estate market	Housing prices (% year-on-year change)	-6.8 -8.1	2.5 5.3	3.1 2.1	5.2 3.7	7.6 7.4	2.3 4.0	— —	Q4 2023
	Housing sales (% cumulative annual change)	-15.8 -10.8	11.1 9.7	-9.9 -16.9	31.7 34.8	14.7 14.8	-4.9 -9.7	— —	December-23
 Foreign sector and tourism	Exports of goods (% cumulative annual change)	15.3 4.6	0.6 3.9	-7.7 -9.4	22.1 20.1	18.6 22.9	-2.7 -1.4	— —	December-23
	Tourist overnight stays (% cumulative annual change)	-2.1 0.7	2.7 3.0	-58.2 -69.2	63.7 78.3	39.8 73.3	5.8 7.2	5.5 5.7	January-24

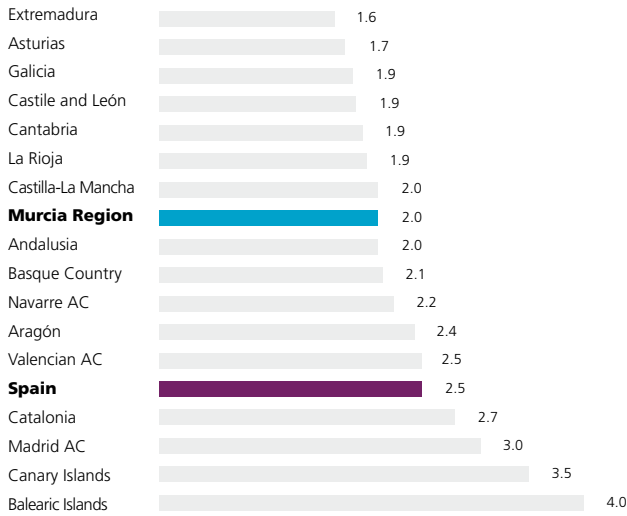
Note: *The 2023 GDP figure for Autonomous Communities is an estimate made by CaixaBank Research.

Source: CaixaBank Research, based on data from the National Statistics Institute (INE), the Bank of Spain, the Ministry of Labour, Migration and Social Security (MITRAMISS), the Ministry of Finance and DataComex.

Regional comparison

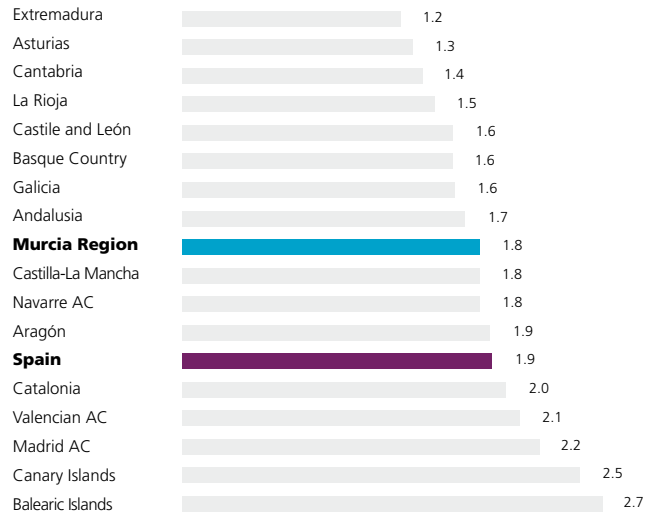
GDP (2023)

(ANNUAL CHANGE)



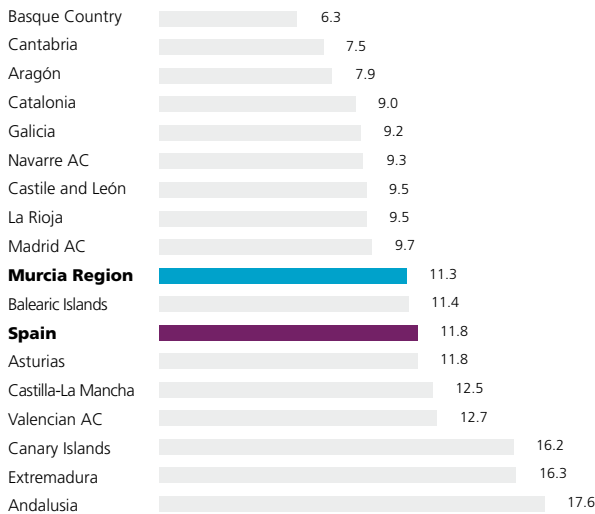
GDP growth forecast (2024)

(ANNUAL CHANGE)



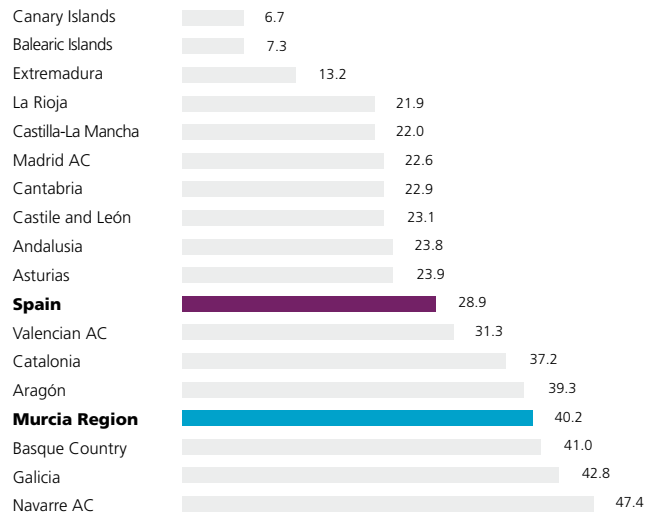
Unemployment rate (Q4 2023)

(% OF WORKING POPULATION)



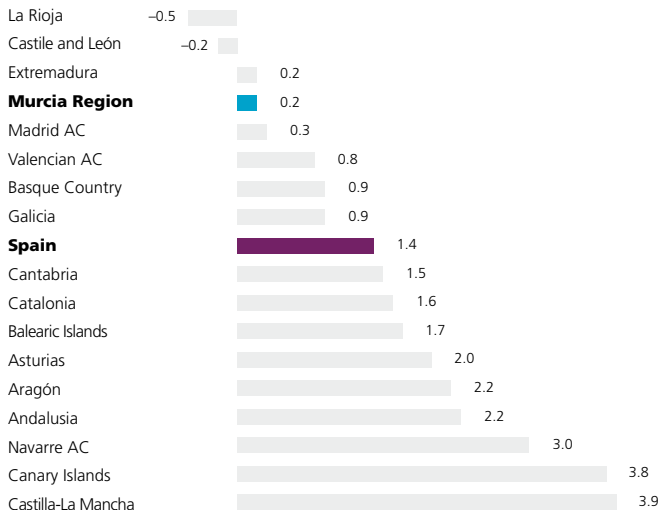
Proportion of exports of goods (2022)

(% OF GDP)



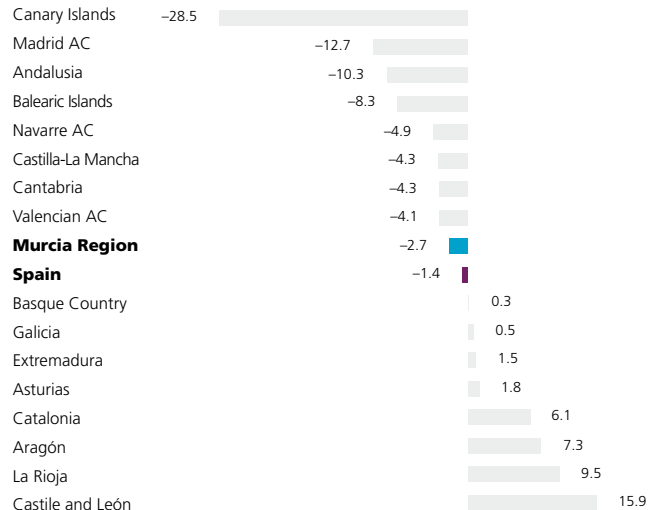
Retail and consumer goods* (January 2024)

(CHANGE FROM THE SAME PERIOD IN 2023)



Exports of goods (January-December 2023)

(CHANGE FROM THE SAME PERIOD IN 2022)



Note: *Figures adjusted, excluding service stations.

Source: CaixaBank Research, based on our own estimates and data from the National Statistics Institute (INE) and DataComex.



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Closing date of this edition: 14 March 2024